

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 7756**

**BILL NUMBER: HB 1477**

**DATE PREPARED:** Jan 9, 2001

**BILL AMENDED:**

**SUBJECT:** Blacklisting and prohibited acts by employers.

**FISCAL ANALYST:** Jim Landers

**PHONE NUMBER:** 232-9869

**FUNDS AFFECTED:**

**GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** Pending

**Summary of Legislation:** Recodifies the law concerning employment blacklisting and specifies that protection applies to both an individual who voluntarily separates from employment and to an individual who is discharged from employment. Specifies what damages may be awarded in a civil action by a former employee against an employer who has prevented the employee from obtaining employment with another employer. Provides that an employer may not require that an employee or a prospective employee who earns or will earn less than 250% of the federal minimum hourly wage sign a covenant not to compete against the employer for any period of time after the termination of employment with the employer. Provides that an employer may not enforce any covenant not to compete against the employee, by the employer and a former employee separated from employment under any circumstances, if at the time of the separation the former employee earned less than 250% of the hourly federal minimum hourly wage. Provides that an employee, a prospective employee, or a former employee may bring a civil action against an employer that attempts to enforce a covenant not to compete.

**Effective Date:** July 1, 2001.

**Explanation of State Expenditures:** *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**